

Eric Fryson

From: Ferenchak, Brett P. <Brett.Ferenchak@bingham.com>
Sent: Thursday, May 16, 2013 12:09 PM
To: Filings@psc.state.fl.us
Subject: Regarding the Acquisition by TNCI Operating Company LLC of the Customers and Certain Assets of Trans National Communications International, Inc.
Attachments: FL Notification.pdf

Attached for filing please find the above-referenced Notification. I would appreciate confirmation of receipt of this filing.

- a. Brett P. Ferenchak
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006
202-373-6697
brett.ferenchak@bingham.com
- b. Non-Docket Filing & New Docket Filing
- c. TNCI Operating Company LLC
Trans National Communications International, Inc.
- d. 10 Pages Total
- e. Notification Regarding the Acquisition by TNCI Operating Company LLC of the Customers and Certain Assets of Trans National Communications International, Inc. (Debtor-In-Possession)

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B I N G H A M

Brett P. Ferenchak | Of Counsel
Bingham McCutchen LLP
2020 K Street, N.W. | Washington, D.C. 20006
T 202.373.6697 | F 202.373.6001
brett.ferenchak@bingham.com
www.bingham.com

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matters addressed herein and may not be relied upon by any other person or entity or used for any other purpose without our prior written consent.

Jean L. Kiddoo
Brett P. Ferenchak
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

May 16, 2013

Via Electronic Filing

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
filings@psc.state.fl.us

Re: Notification Regarding the Acquisition by TNCI Operating Company LLC of the Customers and Certain Assets of Trans National Communications International, Inc. (Debtor-In-Possession)

Dear Ms. Cole:

TNCI Operating Company LLC (“TNCI-OpCo”) and Trans National Communications International, Inc. (Debtor-In-Possession) (“TNCI-DIP”) (together, the “Parties”) notify the Florida Public Service Commission (“Commission”) that TNCI-OpCo intends to acquire the customers (including the customers’ contracts) and certain assets¹ of TNCI-DIP through a sale pursuant to Section 363 of the United States Bankruptcy Code (the “Transaction”).² As a result of the Transaction, TNCI-DIP’s customers will be transferred to TNCI-OpCo, which will become the service provider for those customers.

It is the Parties’ understanding that prior Commission action is not required for the Parties to complete the Transaction.³ The Parties, therefore, provide this letter for informational purposes only.

In support of this filing, the Parties provide the following information:

Beijing
Boston
Frankfurt
Hartford
Hong Kong
Lexington (GSC)
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Washington

¹ The Parties note that TNCI-DIP does not own any physical assets (facilities, switches or other equipment) located in Florida that are used or useful in the provision of intrastate telecommunications service.

² In re Trans National Communications International, Inc., Chapter 11, Case No. 11-19595-WCH, U.S. Bankr. Court (E.D. Mass.).

³ TNCI-OpCo understands that it must obtain a certificate to provide intrastate telecommunications services prior to acquiring TNCI-DIP’s customers. TNCI-OpCo separately filed the requisite application to obtain the certificate. See Docket No. 130071-TX.

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806
T +1.202.373.6000
F +1.202.373.6001
bingham.com

Introduction

On October 9, 2011, Trans National Communications International, Inc. filed a voluntary petition for relief under Chapter 11 of Title 11, U.S.C. §§ 101 et seq., as amended, in the United States Bankruptcy Court for the District of Massachusetts (the "Bankruptcy Court"). Throughout the proceeding, TNCI-DIP has continued to operate its business and provide telecommunications services to its customers. The Bankruptcy Court approved the Transaction on March 13, 2013. The Agreement (as defined below) and Sale Order provide for an Initial Closing following receipt of approvals from the Federal Communications Commission ("FCC"), and for additional closings at approximately 45-day intervals until the Final Closing, which will occur on or before the 180th day following the Initial Closing. At each closing, TNCI-DIP will assign to TNCI-OpCo those assets and customers for which applicable state governmental approvals have been obtained in order to complete the assignment. The Initial Closing occurred on April 30, 2013.

Description of the Parties

A. TNCI Operating Company LLC

TNCI-OpCo is a newly formed Delaware limited liability company with principal offices located at 114 E. Haley Street, Suite A, Santa Barbara, California 93101. TNCI-OpCo is a wholly owned subsidiary of TNCI Holdings LLC ("TNCI Holdings"), a Delaware limited liability company. TNCI Holdings is wholly owned by investment funds managed by Garrison Investment Group (collectively, the "Garrison Group"), a leading middle market investor.

As a result of the Initial Closing, TNCI-OpCo provides interstate and international telecommunications services throughout the United States and intrastate telecommunications services in Kentucky, Montana, North Dakota and Washington. TNCI-OpCo is in the process of seeking authorization to provide intrastate telecommunications services throughout the United States to enable it to continue to provide the same services as TNCI-DIP's customers currently receive from TNCI-DIP. To date, TNCI-OpCo is authorized to provide local exchange and/or interexchange telecommunications services in Colorado (resold interexchange only), Idaho (interexchange only), Iowa (interexchange only), Kentucky, Montana, North Carolina (interexchange only), North Dakota, Washington and Wisconsin. In Florida, TNCI-OpCo has an application for a certificate pending in Docket No. 1300071-TX. TNCI-OpCo is also authorized to provide interstate and international telecommunications services by the FCC.

TNCI-OpCo is managed by individuals with significant experience in the telecommunications industry and will share many of the same customer service, technical, operational and managerial personnel as TNCI-DIP. Further, TNCI-OpCo has been funded by Garrison Group. TNCI-OpCo, therefore, has the managerial, technical

and financial qualifications to provide high quality telecommunications services to the customers of TNCI-DIP.

B. Trans National Communications International, Inc. (Debtor-In-Possession)

TNCI-DIP is a Delaware corporation with a principal business address at 2 Charlesgate West, Boston, Massachusetts 02215. TNCI-DIP offers an array of communications services including local and long distance service, audio/web conferencing, dedicated Internet Protocol ("IP")-enabled, integrated voice and data services, private line, frame relay, and enhanced network solutions. TNCI-DIP only provides service to business and enterprise customers.

In Florida, TNCI-DIP is authorized to provide intrastate telecommunications services pursuant to the Certificate granted in Docket No. 020980-TX (alternative local exchange).⁴ TNCI-DIP is also authorized to provide intrastate telecommunications services in all of the contiguous United States, Hawaii and the District of Columbia. TNCI-DIP is authorized by the FCC to provide interstate and international telecommunications services.

Upon completion of the Transaction, TNCI-DIP will seek to cancel its Certificate.

Contacts

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following.

For TNCI-OpCo:

Jean L. Kiddoo
Brett P. Ferenchak
Bingham McCutchen LLP
2020 K Street, N.W., Suite 1100
Washington, DC 20006-1806
202-373-6000 (tel)
202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

With a copy to:

Jeff Compton
CEO/President
TNCI Operating Company LLC
114 E. Haley Street, Suite A
Santa Barbara, CA 93101
jcompton@bluecasa.com

⁴ Although currently deregulated, TNCI-DIP was authorized to provide interexchange telecommunications services in Docket No. 001079-TX .

Ann Cole, Commission Clerk
May 16, 2013
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For TNCI-DIP:

Andrew Isar
Millar Isar Inc.
4423 Point Fosdick Drive, N.W.
Suite 306
Gig Harbor, WA 98335
253-851-6700 (tel)
866-474-3630 (fax)
aisar@millarisar.com

With a copy to:

Brian Twomey, President
Trans National Communications
International, Inc.
2 Charlesgate West
Boston, MA 02215
btwomey2@gmail.com

Description of the Transaction

Pursuant to an Asset Purchase Agreement, dated as of January 31, 2013 (the "Agreement"), TNCI-OpCo will acquire certain of the assets of TNCI-DIP, including TNCI-DIP's customer accounts and contracts, telecommunications equipment, and, to the extent permitted under applicable law and regulations, certificates, licenses, registrations or other authorizations to provide intrastate, interstate, and international telecommunications services. The Bankruptcy Court approved the Agreement and the Transaction contemplated thereby on March 13, 2013. The Agreement and Sale Order provide for an Initial Closing following receipt of approvals from the FCC, and for additional closings at approximately 45-day intervals until the Final Closing, which will occur no later than the 180th day following the Initial Closing. At each closing, TNCI-DIP will assign to TNCI-OpCo those customers and assets for which applicable governmental approvals have been obtained in order to complete the assignment. The Initial Closing occurred on April 30, 2013, at which time all interstate and international services of TNCI-DIP and intrastate services of TNCI-DIP in Kentucky, Montana, North Dakota and Washington were transferred to TNCI-OpCo.

In the interest of assuring seamless and uninterrupted service, all of the assigned customers will continue to receive service from TNCI-OpCo under the same rates, terms and conditions of services as were previously provided by TNCI-DIP. As noted above, TNCI-DIP provides services only to business and enterprise customers. Its contracts with those customers will be assigned to TNCI-OpCo without any changes in their rates, terms or conditions. TNCI-OpCo is also filing an application for a certificate to enable it to continue to provide the same services as TNCI-DIP's customers currently receive from TNCI-DIP. Future changes in the rates, terms and conditions of service to the affected customers will be undertaken pursuant to customer contracts and the applicable federal and state notice and tariff requirements.

Accordingly, even though structured as a Section 363 asset purchase under the Bankruptcy Code, the Transaction will appear to customers and the public more like a transfer of control since TNCI-OpCo will have the same "TNCI" name with which customers are familiar, will have the same rates and terms of service, and will share many of the same customer service, technical, operational and managerial personnel as TNCI-DIP.

Ann Cole, Commission Clerk
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Public Interest Considerations

The Parties respectfully submit that the proposed Transaction serves the public interest. The Transaction will result in the assignment of TNCI-DIP customers to a financially stable company that will continue to provide telecommunications services to such assigned customers without interruption. TNCI-OpCo's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. In addition, the proposed Transaction is structured to assure an orderly transition of customers from TNCI-DIP to TNCI-OpCo. In accordance with the terms of their service contracts and the rules and procedures of the FCC and applicable state(s), including this Commission, customers have been notified of the proposed transaction and the change in their telecommunications provider from TNCI-DIP to TNCI-OpCo. A sample of the notice that was sent affected customers on March 29, 2013, is provided in Exhibit A.

* * * *

Please acknowledge receipt of this filing. Should you have any questions concerning this filing, please do not hesitate to contact Brett Ferenchak at 202-373-6697..

Respectfully submitted,

/s/ Brett P. Ferenchak

Jean L. Kiddoo
Brett P. Ferenchak
BINGHAM MCCUTCHEN LLP
2020 K Street, N.W.
Washington, DC 20006-1806
202-373-6000 (tel)
202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

/s/ Brian Twomey

Brian Twomey, President
**TRANS NATIONAL COMMUNICATIONS
INTERNATIONAL, INC.**
2 Charlesgate West
Boston, MA 02215
617-369-1210 (tel)
617-369-1117 (fax)
btwomey2@gmail.com

Counsel for TNCI Operating Company LLC

EXHIBIT A

Sample Customer Notice



2 CHARLESGATE WEST
BOSTON, MA 02215

March 28, 2013

«MailToName»

«MailStreet1» «MailStreet2»

«MailCity», «MailState» «MailZip»-«MailZipPlus4»

Regarding Account #«AccountNumber» / «AccountName»

Dear Valued Customer:

Great news! TNCI Operating Company LLC ("TNCI") has reached an agreement with Trans National Communications International, Inc. to acquire its business, including your account. The new TNCI will do business under the familiar "TNCI" name and will assure that you continue to receive the same great service and dedication to your telecommunications needs.

Please rest assured that the transaction will not affect the services you currently receive. You will continue to receive services with the same rates, features, terms and conditions as you currently enjoy. Any changes to your service following the transaction will be made in compliance with your contract, service terms and applicable federal and state regulatory requirements. TNCI will automatically become your telecommunications provider on or after May 1, 2013. (The specific date(s) of the transfer of your interstate and intrastate telephone services may differ somewhat depending upon when we receive the applicable federal and state regulatory approvals.)

This change will be completely seamless for you and you do not need to do anything in order for it to occur -- TNCI will take care of all of the details and TNCI will be responsible for any change fees associated with transferring your account to the new TNCI. However, it is important that you be aware of the following information. You are responsible for continued payment of your monthly recurring and usage charges throughout this period. Unless you have made arrangements on your own to switch your telephone service to a different telephone company prior to the date that your services are transferred to TNCI, your account will automatically be transferred and your service contract assigned to TNCI.¹ In addition, any deposit or prepayment you have paid, if any, will be transferred with your account to TNCI. Although subject to the terms of your current contract you have the option to select another telephone carrier, we value your business and we hope that TNCI may continue to serve you. If you should choose another telephone provider you will need to contact that carrier directly to arrange for the change prior to the transfer of your services to TNCI and also provide TNCI with notice per existing service terms. We note that it can take several weeks for a new carrier to make the switch and you may also incur service initiation fees from that provider such as service order, installation and other similar charges associated with establishing a new service account.

Our mission is to provide superior products and services to our customers. We want to thank you for your continued support. If you have any questions regarding your current services or would like more information about the transaction, please call our customer service department toll-free at 800-800-8400, which will remain the same following the transfer of your services.

TNCI looks forward to serving you.

Sincerely,

Jeff Compton
President & Chief Executive Officer
TNCI Operating Company LLC

Brian C. Twomey
President & Chief Executive Officer
Trans National Communications International, Inc.

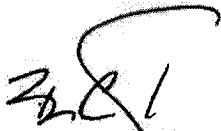
¹ If you have previously arranged for a preferred carrier "freeze," TNCI will suspend that freeze in order to make the transfer and reinstate it upon completion of a transfer to TNCI. If you have selected an alternate local telephone provider prior to a transfer to TNCI, you will need to have that provider reinstate your preferred carrier freeze.

VERIFICATIONS

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

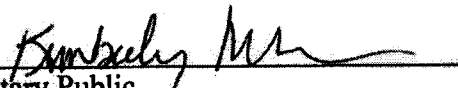
VERIFICATION

I, Brian Twomey, state that I am President of Trans National Communications International, Inc. (the "Company"); that I am authorized to make this verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that, with respect to the Company, the same are true and correct to the best of my knowledge, information and belief.



Brian Twomey
President
Trans National Communications International, Inc.

Subscribed and Sworn to me this 20th day of March, 2013.



Notary Public

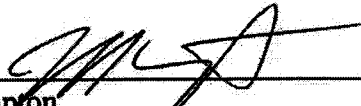
My Commission Expires: 6/28/13

SEAL

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

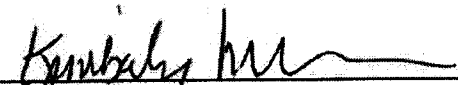
VERIFICATION

I, Jeff Compton, state that I am Chief Executive Officer and President of TNCI Operating Company LLC (the "Company"); that I am authorized to make this verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that, with respect to the Company, the same are true and correct to the best of my knowledge, information and belief.



Jeff Compton
Chief Executive Officer and President
TNCI Operating Company LLC

Subscribed and Sworn to me this 20th day of March, 2013.



Notary Public

My Commission Expires: 6/28/13

SEAL